in excess of the second account (citing col. 6 lines 23–42 and FIG. 2, element 214) and authorizing the issuance of the requested negotiable instrument and debiting the second account by the amount of the instrument. The examiner concluded it would have been obvious to one skilled in the art at the time of the invention to combine *Downing* in view of *Pollin* to teach the above, and further that the motivation to combine is to teach a method of collecting funds from a customer's account when authorized, without the use of a physical check as enunciated by *Pollin* (citing col. 3 lines 37–40).

The examiner's position regarding the *Downing* and *Pollin* patents is not understood, and therefore traversed. For the reasons that will be explained more fully below, it is believed that independent Claims 1, 10, 13, and 19 are not obvious as presented and should be allowable.

The *Downing* patent describes a system for transferring funds from a source account to a cash access file that can be accessed by customers or non-customers. (*Downing*, Abstract). The patent is completely silent on the use of a first account and a second account, both associated with an individual – there is only one account that holds the money of the individual. This can readily be seen in FIG. 2 of *Downing*: the system 1 comprises access points comprising different terminals by which a sender 2 or a recipient 16 can access the system. (*Downing*, col. 5, line 25). The source of funds is an account that is debited to cover the requested transfer amount and any associated fees. (*Downing*, col. 6, lines 29–30). At the appropriate point in a funds transfer, a terminal prompts the user (a sender) to select a particular type of source account from a list of possible types. (Col. 10, lines 64–67). Upon selection of the type of source account at S6 in FIG. 5A, the CAT (Customer Activated Terminal) prompts the user to select from a list of the user's own accounts, for example, by displaying the account number and type of currency associated with it. (Col. 11, lines 1–3).

The foregoing is the only discussion of the source of funds and processing in the *Downing* patent. Where is there any suggestion or teaching of (a) detecting a direct deposit into a first account, then (b) transferring (i.e. sweeping) funds into a second account, as recited in Claim 1?? It is respectfully submitted – no such teaching is present.

Further, the *Downing* patent is silent on the notion of detecting a request for issuance of a negotiable instrument. The *Downing* patent only describes transfer of money from one terminal to another – the recipient is only shown receiving funds via home banking, a CAT

(e.g. ATM), or PC CAT. (FIG. 2). No negotiable instruments are described at all. "Thus, transfers made in accordance with the invention may be understood functionally as an 'electronic check' where the sender remains the 'owner' of the funds until they are picked up by the recipient." (Col. 7, lines 60–63).

The *Pollin* patent does not supply the missing teachings of a first account and second account, and transfer from a first account to a second account, and authorization/issuance of a requested negotiable instrument. The *Pollin* patent describes a system and method of collecting payments that involves generating a draft, payable to a creditor and drawn on a payor's checking account, pursuant to the payor's authorization. (*Pollin*, Abstract). There is no need for a first account or second account – the system and method only involves the checking account of the payor. No other accounts are involved, because there is no need. The entire premise of the system in *Pollin* is to enable a creditor to obtain a bank account number from a debtor/payor, enter that bank account number into a system that generates a draft drawn on the debtor/payor's bank account, issue the draft "with authorization" of the debtor/payor, and deposit the draft into the creditor's bank account.

It thus submitted that independent Claims 1, 10, 13, and 19 all thus define novel and nonobvious inventions in view of these references. Claim 1 is novel and nonobvious for its recitation of, among other things, the first account with direct deposit and a second account, transfer from the first account to the second account, and authorization then issuance of a requested negotiable instrument. Further, the claim recites the step of determining that the value of the requested negotiable instrument does not exceed the balance of the second account. Since neither *Downing* nor *Pollin* involve a second account, there can be no corresponding determining step involving such a second account, and no other reference supplies this missing teaching either.

Claim 10 also involves direct deposit of funds into a first account and sweeping into a second account. Further, Claim 10 involves use of a card bearing an account number, use of a PIN, and requesting authorization for the issuance of a negotiable instrument to the individual in a requested amount. Further still, Claim 10 recites an authorization indicating that the requested amount plus any fees charged to the individual not be in excess of the balance in the second account. As in Claim 1, none of these features, among other features, is taught in *Downing* or *Pollin* singularly or collectively.

Claim 13 also involves direct deposit of funds into a first account and sweeping into a second account, in the context of a negotiable instrument payment system. In this regard, Claim 13 also recites the element of an account sweep control module configured for detecting the direct deposit of funds into the first account and transferring the total amount of funds into the second account. Other recited elements include a transaction control module in communication with an entity with the second account and a POS terminal, and providing other related functions. As in Claims 1 and 10, and even more so, none of these features is taught in *Downing* or *Pollin* singularly or collectively.

Claim 19 is directed to a different aspect of the invention – a method for conducting anonymous transactions. This claim involves providing an anonymous account identified by an account number, and providing the individual with the account number and a PIN. Upon verification of the PIN and account number, the issuance of a negotiable instrument is authorized, in an amount not to exceed an initial deposit of funds. Neither *Downing* nor *Pollin* involve anonymous accounts.

For the foregoing reasons, it is respectfully submitted that Claims 1, 10, 13, and 19 recite novel and nonobvious inventions, and it is requested that the rejection be reconsidered and withdrawn.

As to Claims 2, 8, and 14 (paragraph 5 of the office action), these are dependent under Claim 1 and 13, respectively. Under the doctrine of *In re Fine*, 5 U.S.P.Q.2d 1597 (Fed. Cir. 1988), if the independent claim is allowable, then the dependent claims should also be allowed since dependent Claims add further limitations. It is thus submitted that the rejection of 2, 8, and 14 should be withdrawn.

As to Claims 3 and 15 (paragraph 6 of the office action), these are dependent under Claims 1 and 13, respectively. Under the doctrine of *In re Fine*, the rejection of Claims 3 and 15 should also be withdrawn. The same rationale applies to Claims 4 and 16 (paragraph 7 of the office action), Claims 5, 6 (paragraph 8), Claim 7 (paragraph 9), and claim 9 (paragraph 10).

Claim 10 was rejected under the same rationale as delineated in Claims 9 [sic?] and 1 above. For the reasons discussed above in connection with Claim 1, it is submitted that the rejection is in error and should be withdrawn.

Claim 12, a dependent claim, was rejected under the same rationale as Claims 8 and 1 above. For the reasons discussed in connection with other dependent Claims, it is submitted that the rejection should be withdrawn.

Claim 13 was rejected under the same rationale as Claim 1, and in combination with *Downing* allegedly teaching a POS terminal. For the reasons discussed above in connection with Claim 1, it is submitted that the rejection is in error and should be withdrawn, and further for the reason that the inclusion of a POS terminal element is not determinative of patentability by itself.

The same rationale of *In re Fine* applies to Claim 17 (paragraph 15 of the office action) and Claim 18 (paragraph 16).

Claim 19 was rejected under the same rationale as Claim 9, for reasons that are not understood and are therefore traversed. Claim 19 relates to a method for conducting anonymous transactions. No teaching of *Downing* or *Polin* relates at all to the notion of an anonymous transaction. Indeed, in both *Downing* and *Pollin* it is essential to those inventions that the identity of the payor be known – in *Downing* because the source account of the payor must be identified, and in *Pollin* because the account number of the payor must be known to generate the draft. None of this is or could be anonymous and still work.

CONCLUSION

The foregoing is submitted as a full and complete response to the Office Action mailed June 25, 2002 and is believed to place all claims in the application in condition for allowance.

If the Examiner believes that there are any issues that can be resolved by telephone conference, or if there are any informalities that may be addressed by an Examiner's amendment, please contact the undersigned at (404) 233-7000.

Respectfully submitted,

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